

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular, or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this Circular to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or the transferee. If you have sold or transferred only part of your holding of Existing Ordinary Shares, please retain these documents and immediately contact your stockbroker, bank or other agent through whom the sale or transfer was effected. Please note that this Circular should not be sent or transmitted in or into any Restricted Jurisdiction.

The Subscription does not constitute an offer to the public requiring the Company to issue an approved prospectus under section 85 of FSMA, and, accordingly, this Circular does not constitute a prospectus within the meaning of section 85 of FSMA, has not been drawn up in accordance with the Prospectus Regulation Rules and has not been reviewed or approved by or filed with the FCA, the London Stock Exchange or any other authority or regulatory body. This Circular does not constitute an offer of transferable securities to the public within the meaning of FSMA or otherwise and has not been approved for the purposes of section 21 of FSMA. In addition, this Circular does not constitute an admission document drawn up in accordance with the AIM Rules for Companies.

The contents of this Circular are not to be construed as legal, financial or tax advice. Each investor should consult their own legal, financial or tax adviser for legal, financial or tax advice.



Mercantile Ports
& Logistics Limited

Mercantile Ports & Logistics Limited

(Incorporated and registered in Guernsey with registered number 52321)

**Proposed Subscription for 13,333,333 Subscription Shares at 3 pence per share
and**

Notice of Annual General Meeting

Nominated Adviser and Broker



Cenkos Securities plc

This Circular should be read as a whole and in its entirety. Your attention is drawn to the letter from the Chairman which is set out in *Part V – Letter from the Chairman* of this Circular and which recommends you vote in favour of the Resolutions to be proposed at the Annual General Meeting.

The Annual General Meeting is scheduled to be held at the Registered Office of the Company at Beauvoir Trust Limited, 1st Floor, Tudor House, Le Bordage Road, Guernsey GY1 1DB at 11.00 a.m. on 28 July 2023, and the Notice of Annual General Meeting is set out at the end of this Circular. A paper proxy form is not enclosed with this Circular. Shareholders are able to vote online by logging on to <https://www.signalshares.com> and following the instructions provided or, in the case of CREST members, by using the CREST electronic proxy appointment service set out in notes 8 to 10 to the Notice of Annual General Meeting. A hard copy proxy form can be requested from the Registrars, further details of which are set out in note 14 to the Notice of Annual General Meeting.

Proxy votes must be received no later than 11.00 a.m. on 26 July 2023 (or, in the case of an adjournment of the Annual General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned Annual General Meeting). Completion and return of proxy votes will not

preclude Shareholders from attending and voting in person at the Annual General Meeting should they so wish.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM. It is expected, subject to, *inter alia*, the passing of the resolutions in relation to the Subscription at the Annual General Meeting, that Admission of the Subscription Shares will become effective and that dealings will commence at 8.00 a.m. on 31 July 2023. The Subscription Shares will, when issued, rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise rank *pari passu* in all respects with the Existing Ordinary Shares.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the FCA has examined or approved the contents of this Circular. The AIM Rules for Companies are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the Subscription Shares to the Official List.

Cenkos Securities, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the Subscription and the other arrangements described further in this Circular. The responsibility of Cenkos Securities, as the Company's nominated adviser, under the AIM Rules for Nominated Advisers is owed solely to the London Stock Exchange and is not owed to the Company or the Directors or any other person. Persons receiving this Circular should note that Cenkos Securities will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cenkos Securities or for advising any other person on the arrangements described in this Circular. No representation or warranty, expressed or implied, is made by Cenkos Securities as to any of the contents of this Circular and Cenkos Securities has not authorised the contents of, or any part of, this Circular and no liability whatsoever is accepted by Cenkos Securities for the accuracy of any information or opinions contained in this Circular or for the omission of any information.

NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of this Circular in jurisdictions other than the UK, including any Restricted Jurisdiction, may be restricted by law and therefore persons into whose possession this Circular comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Subscription Shares have been or will be registered under the US Securities Act or under the applicable securities laws of the United States, Australia, Canada, Japan, Singapore, the Republic of South Africa or of any other Restricted Jurisdiction.

Subject to certain exceptions, none of Subscription Shares may be offered, sold, taken up, delivered or transferred in or into the United States (except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the US Securities Act), Australia, Canada, Japan, Singapore, the Republic of South Africa or any other Restricted Jurisdiction.

It is the responsibility of persons receiving a copy of this Circular outside of the United Kingdom to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant territory or jurisdiction in connection with it and the implications of the Subscription, including obtaining any governmental or other consents which may be required or observing any other formalities required to be observed in such territory or jurisdiction and paying any other issue, transfer or taxes due in such other territory or jurisdiction. Persons (including, without limitation, nominees and trustees) receiving this Circular should not distribute or send this Circular into any jurisdiction when to do so would, or might, contravene local security laws or regulations.

Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Subscription in their particular circumstances.

This Circular does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended.

Outside of the United States, the Subscription Shares are being offered in reliance on Regulation S under the US Securities Act. The Subscription Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, Japan, Singapore, the Republic of South Africa or any other Restricted Jurisdiction, nor has any prospectus in relation to the Subscription Shares been lodged with, or registered by, any regulator or authority in Australia, Canada, Japan, Singapore, the Republic of South Africa or any other Restricted Jurisdiction.

Subject to certain exemptions, the Subscription Shares may not be offered, sold, taken up, delivered or transferred in, into or from any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of any Restricted Jurisdiction.

This Circular does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Subscription Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from any Restricted Jurisdiction.

The Subscription Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Subscription Shares nor have they approved this Circular or confirmed the accuracy or adequacy of the information contained in this Circular. Any representation to the contrary is a criminal offence in the US.

FORWARD-LOOKING STATEMENTS

This Circular includes statements that are, or may be deemed to be, 'forward-looking statements'. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'targets', 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'should' or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places throughout this Circular and include statements regarding the intentions, beliefs or current expectations of the Directors concerning, *inter alia*:

- the Group's objectives, acquisition, financing and business strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of securities and dividends; and
- future deal flow and implementation of active management strategies, including with regard to acquisitions and hedging of foreign currency exposures.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

The Group's actual performance, results of operations, financial condition, distributions to holders of securities and the development of its financing strategies may differ materially from the forward-looking statements contained in this Circular. In addition, even if the Group's actual performance, results of operations, financial condition, distributions to holders of securities and the development of its financing and hedging strategies are consistent with the forward-looking statements contained in this Circular, those results or developments may not be indicative of results or developments in subsequent periods.

These forward-looking statements speak only as at the date of this Circular. The Company, Cenkos Securities and the Directors expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules for Companies.

PRESENTATION OF FINANCIAL INFORMATION

Certain data in this Circular, including financial information, has been rounded. As a result of the rounding, the totals of data presented in this Circular may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100%.

NO PROFIT FORECAST OR PROFIT ESTIMATE

No statement in this Circular is intended to constitute a profit forecast or profit estimate for any period.

TIMES

All times referred to in this Circular are, unless otherwise stated, references to the time in London, United Kingdom.

CURRENCY

Unless otherwise indicated, all references in this Circular to:

- “Pounds Sterling”, “pence”, “£” or “p” is to the lawful currency of the United Kingdom; and

The Group’s consolidated financial statements are presented in Pounds Sterling, the Company’s functional currency.

INTERPRETATION

For the purpose of this Circular, “subsidiary” and “subsidiary undertaking” have the meanings given by the Companies Law save that such terms shall be deemed to include “overseas companies” (as defined in the Companies Law), references to a “company” shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established, words importing the singular shall include the plural and *vice versa*, and words importing any gender shall include all genders

GOVERNING LAW

This Circular has been prepared for the purposes of complying with English law and the information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside of England. All references to legislation or regulation in this Circular are to the legislation of England unless the contrary is indicated. Any reference to any provision of any legislation or regulation in this Circular shall include any amendment, modification, supplement, re-enactment or extension thereof. The Company is domiciled in Guernsey and subject to the Takeover Code.

NO INCORPORATION OF WEBSITES

Neither the content of the Company’s website (<https://www.mercpl.com>), the Group’s other websites nor any website accessible by hyperlinks to such websites has been incorporated in, or forms part of, this Circular. The information on such websites has not been verified nor has it been authorised or approved by the FCA, the London Stock Exchange or any other authority or regulatory body, and investors should not rely on such information.

GENERAL

No person has been authorised to give any information or to make any representation other than those contained in this Circular in connection with the Subscription and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Group, or its respective associates, Directors, officers or advisers.

The value of securities and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell any securities of the Company which you have invested in, you may get back less than you originally invested. All of the value of an investor’s investment in the securities of the Company will be at risk. Past performance is not a guide to future performance and the information in this Circular or any other documents relating to the matters described therein cannot be relied upon as a guide to future performance.

Copies of this Circular will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the Registered Office of the Company at Beauvoir Trust Limited, 1st Floor, Tudor House, Le Bordage Road, Guernsey, GY1 1DB for a period of one month from the date of this Circular and on the Company's website at <https://www.mercpl.com>.

This Circular is dated 7 July 2023.

TABLE OF CONTENTS

	Page
PART I – DIRECTORS, SECRETARY AND ADVISERS	1
PART II – EXPECTED TIMETABLE OF PRINCIPAL EVENTS.....	2
PART III – KEY STATISTICS.....	3
PART IV – DEFINITIONS.....	4
PART V – LETTER FROM THE CHAIRMAN	8
PART VI – ADDITIONAL INFORMATION IN RELATION TO THE SUBSCRIPTION	14
PART VII – NOTICE OF ANNUAL GENERAL MEETING	16

PART I – DIRECTORS, SECRETARY AND ADVISERS

Directors	Jay Mehta Jeremy Warner Allen Nikhil Gandhi Lord Howard Flight John Fitzgerald Karanpal Singh Amit Dutta Dmitri Tsvetkov	<i>Managing Director</i> <i>Chairman</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i>
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The business address of each of the Directors is at the Registered Office.

Company Secretary	Beauvoir Trust Limited 1 st Floor, Tudor House Le Bordage Road Guernsey GY1 1DB	
Registered Office	Beauvoir Trust Limited 1 st Floor, Tudor House Le Bordage Road Guernsey GY1 1DB	
Nominated Adviser and Broker	Cenkos Securities plc 6, 7, 8 Tokenhouse Yard London EC2R 7AS United Kingdom	
Lawyers to the Company as to English Law	Orrick, Herrington & Sutcliffe (UK) LLP 9 th Floor 107 Cheapside London EC2V 6DN United Kingdom	
Lawyers to the Company as to Guernsey Law	Carey Olsen (Guernsey) LLP Carey House Les Banques St Peter Port Guernsey GY1 4BZ	
Registrars	Link Market Services (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH	

PART II – EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Time and date (as applicable)
Announcement of the Subscription	5.39 p.m. on 28 June 2023
Latest Practicable Date	6 July 2023
Publication and posting of this Circular	7 July 2023
Latest time and date for receipt of completed Forms of Proxy to be valid at the Annual General Meeting	11.00 a.m. on 26 July 2023
Annual General Meeting	11.00 a.m. on 28 July 2023
Announcement of results of the Annual General Meeting	28 July 2023
Expected date when Admission is effective and unconditional dealings in the Subscription Shares on AIM commence	8.00 a.m. on 31 July 2023
Expected date for crediting of the Subscription Shares in uncertificated form to the Subscriber's CREST member's account	31 July 2023
Expected date of dispatch of share certificates in respect of the Subscription Shares in certificated form	Within 10 Business Days of Admission

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- ^{1.} Each of the times and dates above are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to the Shareholders by announcement through an RIS.
 - ^{2.} A paper proxy form is not enclosed with this Circular. Shareholders are able to vote online by logging on to <https://www.signalshares.com> and following the instructions provided or, in the case of CREST members, by using the CREST electronic Form of Proxy appointment service set out in notes 8 to 10 to the Notice of Annual General Meeting. A hard copy Form of Proxy can be requested from the Registrars, further details of which are set out in note 14 to the Notice of Annual General Meeting. If you have questions on how to complete the Form of Proxy, please contact the Registrars on 0371 664 0300 or, if phoning from outside the UK, on +44 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday (excluding public holidays in England and Wales).

PART III – KEY STATISTICS

Number of Existing Ordinary Shares in issue as at the Latest Practicable Date	342,979,359
Issue Price	3 pence
Number of Subscription Shares to be issued by the Company pursuant to the Subscription	13,333,333
Gross proceeds of the Subscription	£399,999.99
Estimated Expenses payable by Company in connection with Subscription ⁽¹⁾	£20,000
Estimated maximum Net Proceeds of the Subscription ⁽¹⁾	£379,999.99
Enlarged Share Capital at Admission	356,312,692
Total number of Subscription Shares as a percentage of the Enlarged Share Capital	3.74%
Market capitalisation of the Company at Admission at the Issue Price	approximately £10.7 million
ISIN for Existing Ordinary Shares and, following Admission, the Subscription Shares	GG00BKSH7R87
SEDOL for Existing Ordinary Shares and, following Admission, the Subscription Shares	BKSH7R8
LEI	213800UT113BW8VXV311
TIDM	MPL

⁽¹⁾ Expenses will be borne by the Company in full and be deducted from the Gross Proceeds of the Subscription, and no Expenses will be charged to any investor by the Company.

PART IV – DEFINITIONS

The following definitions apply throughout this Circular (unless the context requires otherwise):

“Admission”	the admission of the Subscription Shares to trading on AIM in accordance with the AIM Rules for Companies.
“affiliate”	an affiliate of, or person affiliated with, a person; a person that, directly or indirectly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.
“AIM”	AIM, the market of that name operated by the London Stock Exchange.
“AIM Rules for Companies”	the AIM Rules for Companies and guidance notes as published by London Stock Exchange from time to time.
“AIM Rules for Nominated Advisers”	the AIM Rules for Nominated Advisers issued by the London Stock Exchange setting out the eligibility, ongoing responsibilities and certain disciplinary matters in relation to nominated advisers, as amended or re-issued from time to time.
“Announcement”	the RIS announcement issued by the Company on 27 June 2023 in relation to the Subscription.
“Annual General Meeting”	the annual general meeting of the Shareholders or a class of Shareholders, or, as the context requires, the annual general meeting of the Company, convened for 11.00 a.m. on 28 July 2023 or any adjournment thereof.
“Articles”	the articles of incorporation of the Company in force from time to time.
“Board” or “Directors”	the directors of the Company as at the date of this Circular.
“Business Day”	any day on which the London Stock Exchange is open for business and banks are open for business in London; excluding Saturdays and Sundays.
“Cenkos Securities”	Cenkos Securities plc.
“Circular”	this document.
“Companies Law”	Companies (Guernsey) Law, 2008 (as amended from time to time).
“Company”	Mercantile Ports & Logistics Limited.
“control”	(i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company; or (b) appoint or remove all, or the majority, of the Directors or other equivalent officers of the Company; or (c) give directions with respect to the operating and financial policies of the Company with which the Directors or other equivalent officers of the Company are obliged to comply; and/or (ii) the holding beneficially of more than 50% of the issued shares of the Company (excluding any issued shares that carry no right to participate beyond a distribution of either profits or capital), but excluding in the case of each of (i) and (ii) any such power or holding that arises as a result of the issue of Ordinary Shares by the Company in connection with an acquisition.
“CREST” or “CREST system”	the system for the paperless settlement of trades in securities and the holding of uncertified securities operated by Euroclear in the system for the paperless settlement of trades in securities and the

	holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations.
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure, CREST Glossary of Terms and CREST Terms and Conditions (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended since).
“CREST member”	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations).
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations).
“CREST Proxy Instruction”	an appropriate CREST message, for a proxy appointment or instruction to be validly made by means of CREST.
“CREST Regulations”	Uncertificated Securities (Guernsey) Regulations 2009.
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor.
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member.
“Debt Facility”	the term loan facility of INR 480 crores entered into between KTLPL and four Indian public sector banks pursuant to a loan agreement dated 28 February 2014, as restructured by KTLPL and the banks in July 2021.
“Deed of Lease”	the lease entered into between Karanja Infrastructure Private Limited and MMB on 31 August 2009 with an effective date of 7 August 2009 in respect of the Project Land with a concession to develop on a BOOT basis: (i) the Facility; and (ii) a ship repair facility, as novated to KTLPL via a deed of confirmation entered into between Karanja Infrastructure Private Limited, KTLPL and MMB on 28 September 2010 and varied by a letter from MMB dated 11 May 2017 to extend the term of the lease to 50 years.
“Enlarged Share Capital”	the entire issued share capital of the Company following completion of the Subscription on Admission.
“Euroclear”	Euroclear UK & International Limited, a company incorporated in England & Wales, being the operator of CREST.
“Existing Ordinary Shares”	the issued ordinary share capital of the Company at the date of this Circular, being 342,979,359 Ordinary Shares.
“Expenses”	an estimated £20,000 (including commissions and expenses, Admission fees, professional advisory fees, including legal fees, and any other applicable expenses, and any applicable VAT) of costs associated with the Subscription.
“Facility”	the completed logistics park and multi-purpose terminal developed by the Group on the Project Land.
“FCA”	the UK Financial Conduct Authority acting in its capacity as the competent authority under Part VI of FSMA.
“Form of Proxy”	the electronic form of proxy for use in connection with the Annual General Meeting (a hard-copy of which may be requested from the Registrar).
“FSMA”	Financial Services and Markets Act 2000.

“Gross Proceeds”	the estimated maximum gross proceeds of the Subscription being £399,999.99.
“Group”	the Company and its subsidiaries from time to time.
“Hunch Ventures”	Hunch Ventures and Investment Private Limited, a company incorporated in India, with company registration number 289161 and whose registered office is at 5 Ground Floor, Plot No. 09 Copia Corporate Suites, Jasola New Delhi, South Delhi DL 110044, India.
“India”	the Republic of India.
“ISIN”	International Securities Identification Number.
“Issue Price”	3 pence per Subscription Share.
“KTLPL”	Karanja Terminal and Logistics Private Limited, a company incorporated under the provisions of the Companies Act, 1956 of India, having its registered office at Hermes Atrium, Office No. 411, 04 th Floor, A-Wing, Plot No. 57, Sector No. 11, CBD, Belapur, Navi Mumbai, Thane – 400614, and being a subsidiary of the Company.
“Latest Practicable Date”	6 July 2023, being the latest practicable date prior to the publication of the Announcement.
“LEI”	legal entity identifier.
“London Stock Exchange”	London Stock Exchange plc.
“Net Proceeds”	the net proceeds of the Subscription following the deduction of the Expenses from the Gross Proceeds.
“Notice of Annual General Meeting”	the notice convening the Annual General Meeting as set out in Part VII – <i>Notice of Annual General Meeting</i> of this Circular.
“Official List”	the official list maintained by the FCA pursuant to Part VI of FSMA.
“Ordinary Shares”	ordinary shares of no par value each in the Company.
“Overseas Shareholders”	Shareholders who are resident in, or who are citizens of, or who have registered addresses in, territories or jurisdictions other than the United Kingdom.
“Previous Fundraising”	the equity fundraising of the Company which raised £9.04 million pursuant to a placing, subscription and retail offer for new Ordinary Shares, which was announced by the Company on 8 June 2023 and closed on 27 June 2023.
“Previous Fundraising Circular”	the circular in connection with the Previous Fundraising published by the Company and despatched to Shareholders on 9 June 2023.
“Project Land”	the c.1.62 million square metre (approximately 400 acres) of land with a sea frontage of approximately 2,000 metres at Karanja Creek, Chanje Village, Taluka Uran, District Raigad, Maharashtra, India as described in the Deed of Lease.
“Prospectus Regulation Rules”	the prospectus regulation rules of the FCA made in accordance with section 73A of FSMA.
“Registered Office”	the registered office of the Company at Beauvoir Trust Limited, 1 st Floor, Tudor House, Le Bordage Road, Guernsey GY1 1DB.
“Registrars”	Link Market Services (Guernsey) Limited.
“Resolutions”	the resolutions to be proposed at the Annual General Meeting, as set out in the Notice of the Annual General Meeting.

“Restricted Jurisdiction”	the United States, Australia, Canada, Japan, Singapore, the Republic of South Africa or any other jurisdiction where release, publication or distribution of this Circular or any offer, invitation or solicitation in relation to the securities referred to in this Circular is or would be unlawful or may lead to a breach of any applicable legal or regulatory requirements.
“RIS”	a regulatory information service that is on the list of regulatory information services maintained by the FCA.
“SEDOL”	Stock Exchange Daily Official List, a list of security identifiers used in the UK and Ireland for clearing persons.
“Shareholders”	the holders of Existing Ordinary Shares.
“Subscriber”	the existing institutional shareholder of the Company which is subscribing for the Subscription Shares pursuant to the Subscription Letter.
“Subscription”	the proposed subscription for Subscription Shares pursuant to the terms of the Subscription Letter.
“Subscription Letter”	the subscription letter entered into on 27 June 2023 between the Subscriber and the Company.
“Subscription Resolutions”	the Resolutions in relation to the Subscription, as set out in Resolution 14 and Resolution 15.
“Subscription Shares”	the aggregate of 13,333,333 new Ordinary Shares to be issued by the Company pursuant to the Subscription.
“Takeover Code”	the City Code on Takeovers and Mergers, administered by the Takeover Panel.
“Takeover Panel”	the UK Panel on Takeovers and Mergers.
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland.
“United States” or “US”	the United States of America, its possessions or territories, any State of the United States of America and the district of Columbia or any area subject to its jurisdiction or any political subdivision thereof.
“US Securities Act”	US Securities Act of 1933, as amended.
“VAT”	(i) within the EU, any tax imposed by any EU member state in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition.

PART V – LETTER FROM THE CHAIRMAN
MERCANTILE PORTS & LOGISTICS LIMITED
(Incorporated in Guernsey with registered number 52321)

Directors:

Jay Mehta	<i>Managing Director</i>
Jeremy Warner Allen	<i>Chairman</i>
Nikhil Gandhi	<i>Non-Executive Director</i>
Lord Howard Flight	<i>Non-Executive Director</i>
John Fitzgerald	<i>Non-Executive Director</i>
Karanpal Singh	<i>Non-Executive Director</i>
Amit Dutta	<i>Non-Executive Director</i>
Dmitri Tsvetkov	<i>Non-Executive Director</i>

Registered Office:

Beauvoir Trust Limited
1st Floor, Tudor House
Le Bordage Road
Guernsey GY1 1DB

For the attention of Shareholders

7 July 2023

Dear Shareholder

**Proposed Subscription for 13,333,333 Subscription Shares at 3 pence per share
and
Notice of Annual General Meeting**

1. Introduction

I look forward to welcoming you at the Company's Annual General Meeting on 28 July 2023. The Annual General Meeting is scheduled to take place at 11.00 a.m. The business of the Annual General Meeting comprises the Resolutions, which includes ordinary and special business which public companies regularly bring to Shareholders and special business in respect of the Subscription (as further detailed below).

Further to the Annual General Meeting, on 27 June 2023, the Company announced that, following the closing of the £9.04 million Previous Fundraising announced by the Company on 8 June 2023, the Company was approached by the Subscriber to invest £399,999.99 (before Expenses) by way of the conditional Subscription for 13,333,333 Subscription Shares at the Issue Price of 3 pence per Subscription Share. The Issue Price of the Subscription is the same as the issue price per Ordinary Share in the Previous Fundraising.

The Subscription is conditional, *inter alia*, upon the Shareholders approving the Subscription Resolutions at the Annual General Meeting that will grant to the Directors the authority to issue the Subscription Shares and the power to disapply pre-emption rights set out in the Articles in respect of the Subscription Shares. The Resolutions are contained in the Notice of Annual General Meeting at Part VII – *Notice of Annual General Meeting* of this Circular.

Application will be made to the London Stock Exchange for Admission of the Subscription Shares to trading on AIM. It is expected that Admission will occur no later than 8.00 a.m. on 31 July 2023 or such later time and/or date as Cenkos Securities, the Company and the Subscriber may agree. The Subscription Shares will, upon issue, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after their date of issue.

The purpose of this Circular is to give Shareholders notice of the Annual General Meeting, to explain the background to and reasons for each of the Resolutions and the Subscription, the use of proceeds and the details of the Subscription, and to recommend that you vote in favour of the Resolutions. The Directors confirm that they intend to vote (or procure the voting) in favour of the Resolutions at the Annual General Meeting in respect of their entire aggregate beneficial holdings of 144,898,824 Existing Ordinary Shares, representing approximately 42.25% of the Existing Ordinary Shares. The Company has also received an irrevocable undertaking from Hunch Ventures to vote (or to procure the voting) in favour of the Subscription Resolutions at the Annual General Meeting, as further detailed in paragraph 9 this *Part V – Letter from the Chairman* of this Circular.

2. Current status of the Facility and the Group and Market and Macroeconomic Dynamics

Paragraph 2 of Part V – *Letter from the Chairman* of the Previous Fundraising Circular contains a description of the current status of the Facility and an update on business and outlook of the Group. Furthermore, paragraph 9 of Part V – *Letter from the Chairman* of the Previous Fundraising Circular sets out the market and macroeconomic dynamics affecting the Group. There have been no significant changes to the information set out in these sections of the Previous Fundraising Circular, and the Company draws the attention of the Shareholders to these sections of the Previous Fundraising Circular.

3. The Subscription

Following the closing of the Previous Fundraising announced by the Company on 8 June 2023, the Company was approached by the Subscriber to invest £399,999.99 (before Expenses) by way of the conditional subscription for 13,333,333 Subscription Shares at the Issue Price of 3 pence per Subscription Share. The Net Proceeds of the Subscription are expected to be approximately £379,999.99. The key objective of the Subscription, when taken together with the Previous Fundraising, is to enable the Group to repay £750,000 of the accrued but unpaid interest under the Debt Facility, to fund capital expenditure relating to the Group's business and to provide working capital for the Group. The Issue Price of the Subscription is the same as the issue price per Ordinary Share in the Previous Fundraising.

As stated in the Previous Fundraising Circular, the Directors believe that the Group will benefit strongly from positioning the Group's debt profile to match the long-term, back-ended cash flow generation curve that is typical of infrastructure projects such as the Facility. The Subscription, together with the Previous Fundraising, will strengthen the Group's balance sheet and place it in a strong position to negotiate a new debt facility on more preferable terms. As noted in the Previous Fundraising Circular, the Group is in discussions with its existing and new debt providers to refinance the Group's existing debt.

The Subscriber has entered into the Subscription Letter with the Company dated 27 June 2023.

The Subscription is conditional on:

- (a) the passing of the Subscription Resolutions at the Annual General Meeting; and
- (b) Admission of the Subscription Shares becoming effective by no later than 8.00 a.m. on 31 December 2023 or such later date as the Company, Cenkos Securities and the Subscriber may agree in writing.

If any of the conditions are not satisfied, the Subscription Shares will not be issued to the Subscriber.

The Subscription Shares are not subject to clawback. The Subscription is not being underwritten.

The Subscription Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

Application will be made to the London Stock Exchange for Admission of the Subscription Shares to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 31 July 2023, at which time it is also expected that the Subscription Shares will be enabled for settlement in CREST.

4. Admission, Settlement and CREST

Application will be made to the London Stock Exchange for Admission of the Subscription Shares to trading on AIM. The Ordinary Shares are not traded on any other recognised investment exchange and no application has been, or will be, made for the Subscription Shares or the Existing Ordinary Shares to be admitted to trading on any other recognised trading exchange. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 31 July 2023, at which time it is also expected that the Subscription Shares will be enabled for settlement in CREST.

The Articles permit the Company to issue shares in uncertificated form. CREST is a computerised paperless share transfer and settlement system which allows shares and other securities to be held

in electronic rather than paper form. The Existing Ordinary Shares are already admitted to CREST and therefore the Subscription Shares will also be eligible for settlement in CREST. CREST is a voluntary system and participants who wish to retain certificates will be able to do so upon request. The Subscription Shares due to the Subscriber are expected to be delivered in CREST on 31 July 2023.

The Subscription Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

5. Effects of the Subscription

Upon Admission, the Enlarged Share Capital is expected to be 356,312,692 Ordinary Shares. On this basis, the Subscription Shares will represent approximately 3.74% of the Enlarged Share Capital.

6. CREST

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Subscription Shares will be eligible for CREST settlement. Accordingly, following Admission, settlement of transactions in the Subscription Shares may take place within the CREST system if a Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so. For more information concerning CREST, Shareholders should contact their stockbroker or Euroclear at 33 Cannon Street, London EC4M 5SB, United Kingdom or by telephone on +44 (0) 20 7849 0000.

7. Risk factors

Shareholders and other prospective investors in the Company should be aware that an investment in the Company involves a high degree of risk. Your attention is drawn to the risk factors set out in *Part VI – Risk Factors* of the Previous Fundraising Circular.

8. Annual General Meeting

The business of the Annual General Meeting concerns ordinary business which public companies regularly bring to Shareholders and special business in respect of the Subscription.

A notice convening the Annual General Meeting, which is to be held at registered office of the Company at 1st Floor, Tudor House, Le Bordage, St Peter Port, Guernsey GY1 1DB at 11.00 a.m. on 28 July 2023, is set out in *Part VII – Notice of Annual General Meeting* of this Circular. At the Annual General Meeting, the Subscription Resolutions will be proposed to authorise the Directors to issue relevant securities pursuant to the Subscription, and to issue such relevant securities on a non-pre-emptive basis.

The authorities to be granted pursuant to the Subscription Resolutions shall expire on whichever is the earlier of the conclusion of the annual Annual General Meeting of the Company to be held in 2023 or the date falling 15 months from the date of the passing of the relevant Subscription Resolutions (unless renewed, varied or revoked by the Company prior to or on that date), and shall be in addition to any existing Directors' authorities to issue relevant securities and dis-apply statutory pre-emption rights. You should read the Subscription Resolutions in full as set out in *Part VII – Notice of Annual General Meeting* of this Circular.

Ordinary business

The ordinary business of the Annual General Meeting is covered by Resolutions 1 to 13 (inclusive), as set out below:

Resolution 1 – Report and accounts

Ordinary Resolution

The Company is required by its Articles to lay before the Annual General Meeting its consolidated accounts for the accounting year ended 31 December 2022, together with the directors' and

auditors' reports thereon (which are available on the Company's website at www.mercpl.com), and does so by way of Resolution 1. Consolidated group accounts have been prepared for the year in respect of the Company and its subsidiaries, Karanja Terminal & Logistics (Cyprus) Limited and KTLPL.

Resolution 2 – Directors' remuneration

Ordinary Resolution

Resolution 2 concerns the remuneration of the Directors for the year ended 31 December 2023 as set out in the Directors' remuneration report in the accounts for the accounting year ended 31 December 2022 and the authority of the Board (subject to the recommendations of its remuneration committee of the Board in the case of executive directors), to fix the remuneration of the Directors. The remuneration committee of the Board was established on 1 October 2010 and is made up of Howard Flight, Jeremy Warner Allan and John Fitzgerald.

Resolution 3 – Re-appointment of auditors

Ordinary Resolution

Resolution 3 concerns the re-appointment of Grant Thornton UK LLP ("GT"), recommended by the Directors for operational reasons, as auditors to the Company. Whilst resolving to re-appoint GT as auditors to the Company, Resolution 3 also authorises the Board to determine the auditors' remuneration. The Company notes that it may consider appointing different auditors in the period following the Annual General Meeting.

Resolutions 4 to 11 (inclusive) – Re-election of Directors

Ordinary Resolutions

At least a third (or the number nearest to and less than one-third) of the Directors are required to retire from office by the Articles and seek re-appointment at the Annual General Meeting. Resolutions 4 to 11 (inclusive) shall, therefore, recognise the retirement and propose the re-election of Jeremy Warner Allen, Jay Mehta, John Fitzgerald, Lord Howard Flight, Karanpal Singh, Nikhil Gandhi, Amit Dutta and Dmitri Tsvetkov, respectively.

More information in relation to these Directors is available at the Company's website at www.mercpl.com.

Resolution 12 – Authority to allot shares

Ordinary Resolution

The purpose of Resolution 12 is to authorise the Directors to exercise all powers of the Company to allot and issue, grant rights to subscribe for, or to convert any securities into, up to 30% of the Company's Enlarged Share Capital (i.e., as enlarged following the completion of the Subscription). If granted, this authority will expire on the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after Resolution 12 is passed. The Directors have no present intention of exercising this authority. The Company is seeking a separate authority to allot and issue the Subscription Shares, as set out in Resolution 14.

Resolution 13 – Disapplication of pre-emption rights

Special Resolution

In certain circumstances, it may be in the best interests of the Company to allot and issue shares (or to grant rights over shares or sell shares from treasury) for cash without first offering them to existing Shareholders in proportion to their holdings. The purpose of Resolution 13 is to grant the power to the Directors to allot and issue shares (or to grant rights over shares or sell shares from treasury) for cash without first offering such shares *pro-rata* to existing Shareholders in accordance with the rights of pre-emption set out in the Articles. This would provide the Directors with a degree of flexibility to act in the best interests of the Company so that shares may be issued for cash to persons other than existing shareholders. This is a general disapplication of the rights of pre-emption in respect of 53,446,904 shares representing 15% of the Enlarged Share Capital. If granted, this authority will expire on the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after the Resolution is passed. The Directors have no present intention of exercising this authority. The Company is seeking a separate disapplication of pre-

emption rights in respect of the allotment and issue the Subscription Shares, as set out in Resolution 15.

Special business in relation to the Subscription

The Directors do not currently have sufficient authority to issue all of the Subscription Shares pursuant to the Subscription and, accordingly, the Board is seeking the approval of Shareholders to issue the Subscription Shares at the Annual General Meeting, in addition to the general authority to allot and issues securities and disapply pre-emption rights thereon under Resolutions 12 and 13.

The Subscription Resolutions proposed will facilitate the completion of the Subscription. The Company will receive 3 pence per Subscription Share, which the Directors consider to be a fair and reasonable amount per share on the basis that the closing market price on 6 July 2023 (being the Latest Practicable Date) was 3.5 pence per Existing Ordinary Share.

The special business of the Annual General Meeting in relation to the Subscription is covered by Resolutions 14 and 15 (being the Subscription Resolutions), as set out below:

Resolution 14 – Authority to allot Subscription Shares

Ordinary Resolution

The purpose of Resolution 14 is to authorise the Directors to exercise all powers of the Company to allot and issue 13,333,333 Subscription Shares (or grant rights to subscribe for or to convert any security into such shares), pursuant to or in connection with the Subscription. If granted, this authority will expire on the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after the Resolution is passed. This authority is in addition to the general authority for the Directors to exercise all powers of the Company to issue, grant rights to subscribe for, or to convert any securities pursuant to Resolution 12.

Resolution 15 – Disapplication of pre-emption rights in respect of the Subscription Shares

Special Resolution

The purpose of Resolution 15 is to grant the power to the Directors to allot and issue 13,333,333 Subscription Shares (or to grant rights over shares or sell shares from treasury) for cash without first offering such shares *pro rata* to existing Shareholders in accordance with the rights of pre-emption set out in the Articles. If granted, this authority will expire on the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after the Resolution is passed. This power is in addition to the general power for the Directors to disapply pre-emption rights to allot and issue shares (or to grant rights over shares or sell shares from treasury) pursuant to Resolution 13.

9. Irrevocable undertaking

The Company has received an irrevocable undertaking from Hunch Ventures to vote (or to procure the voting) in favour of the Resolutions at the Annual General Meeting in respect of its entire aggregate beneficial holdings of 136,819,712 Existing Ordinary Shares, representing approximately 39.89% of the Existing Ordinary Shares.

10. Action to be taken in respect of the Annual General Meeting

Shareholders will not receive a hard-copy Form of Proxy for the Annual General Meeting. Instead, you will find instructions in the section entitled “Notes” in the Notice of Annual General Meeting to enable you to vote electronically and how to register to do so. To register, you will need your “Investor Code”, which can be found on your share certificate.

Shareholders may request a paper Form of Proxy from the Registrars if they do not have access to the internet. Proxy votes should be submitted as early as possible and in any event by no later than 11.00 a.m. on 26 July 2023 (or, in the case of an adjournment, no later than 48 hours (excluding non-working days) before the time fixed for holding of the adjourned meeting).

The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the Annual General Meeting, or any adjournment thereof, should you wish to do so.

11. Further information

Shareholders should read the whole of this Circular and the Previous Fundraising Circular, which provides additional information on the Company and the Subscription, and should not rely on summaries of, or individual parts only of, this Circular. Attention is drawn, in particular, to *Part VI – Risk Factors* of the Previous Fundraising Circular and *Part VI – Additional Information in relation to the Subscription* of this Circular.

12. Recommendation

The Board believes that the Subscription and passing of the Resolutions, inclusive of the Subscription Resolutions, are in the best interests of the Company and the Shareholders, taken as a whole. Accordingly, the Board unanimously recommends that the Shareholders vote in favour of the Resolutions. Each Director which holds Existing Ordinary Shares intends to vote (or procure the voting) in favour of the Resolutions at the Annual General Meeting in respect of their entire aggregate beneficial holdings of 144,898,824 Existing Ordinary Shares, representing approximately 42.25% of the Existing Ordinary Shares. Shareholders should note that Nikhil Gandhi is unable to vote or procure the voting of the 983,512 Existing Ordinary Shares to which he was beneficially entitled as SKIL Global Ports & Logistics Limited, the entity wholly-owned by Mr. Gandhi which held such Existing Ordinary Shares, was dissolved by way of Guernsey registrar compulsory strike-off order on or around 4 June 2021 and such Existing Ordinary Shares are currently held by His Majesty's Receiver General in the Bailiwick of Guernsey.

The Subscription is conditional, *inter alia*, upon the passing of the Subscription Resolutions at the Annual General Meeting. Shareholders should be aware that if the Subscription Resolutions are not approved at the Annual General Meeting, the Subscription will not proceed.

Yours faithfully

Jeremy Warner Allen
Chairman

7 July 2023

PART VI – ADDITIONAL INFORMATION IN RELATION TO THE SUBSCRIPTION

1. Interests of the Directors in the Existing Ordinary Shares

As at 6 July 2023 (being the Latest Practicable Date), the interests of the Directors, their immediate families and persons connected with the Directors in the Existing Ordinary Shares were as follows:

Director	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Shares (%)
Nikhil Gandhi (<i>Non-Executive Director</i>)	983,512 ⁽¹⁾	0.29%
Lord Howard Flight (<i>Non-Executive Director</i>)	630,538	0.18%
John Fitzgerald (<i>Non-Executive Director</i>)	56,583	0.02%
Jeremy Warner Allen (<i>Non-Executive Director</i>)	3,852,878	1.12%
Karanpal Singh (<i>Non-Executive Director</i>)	136,819,712 ⁽²⁾	39.89%
Jay Mehta (<i>Managing Director</i>)	3,539,113	1.03%

(1) Mr. Gandhi held Existing Ordinary Shares via SKIL Global Ports & Logistics Limited, which was wholly-owned by Mr. Gandhi, however SKIL Global Ports & Logistics Limited was dissolved by way of Guernsey registrar compulsory strike-off order on or around 4 June 2021. As far as Mr. Gandhi (in his personal capacity and for and on behalf of SKIL Global Ports & Logistics Limited in his capacity as a director thereof) or the Company is aware, the Existing Ordinary Shares held by SKIL Global Ports & Logistics Limited are currently held by His Majesty's Receiver General in the Bailiwick of Guernsey. Mr. Gandhi may apply to the Guernsey registry to have SKIL Global Ports & Logistics Limited restored to the register or Mr. Gandhi may apply for the assets previously held by SKIL Global Ports & Logistics Limited to be subject to a discretionary grant.

(2) Mr. Singh's Existing Ordinary Shares are held by Hunch Ventures, which is wholly-owned by Mr. Singh and his wife Ms. Himangini Singh.

Save as disclosed in this paragraph 1, none of the Directors has any beneficial or non-beneficial interest in any securities of the Company or its subsidiaries.

None of the Directors, their immediate families or persons connected with the Directors have any interests in the Subscription.

2. Material Contracts

The contracts listed below have been entered into by the Company in connection with the Subscription and which are, or may be, material to the Company or any member of the Group. The contracts listed below do not include all contracts which are material to the business of the Group nor contracts entered into in the ordinary course of business:

2.1 Subscription Letter

Pursuant to the terms of the Subscription Letter, the Subscriber has agreed to subscribe for the Subscription Shares at the Issue Price per Subscription Share.

The Subscription Letter contains, *inter alia*, warranties given by both the Subscriber and the Company, namely relating to their respective authority and capacity to enter into the Subscription Letter.

3. Documents available for inspection

Copies of the following document will be available for inspection free of charge at the registered office of the Company during normal business hours on any Business Day up to and including the date of the Annual General Meeting and on the Company's website at <https://www.mercpl.com/article/investor-relations>:

- (a) this Circular and the accompanying Notice of Annual General Meeting;
- (b) the Articles;
- (c) the irrevocable undertaking referred to in paragraph 9 of Part V – *Letter from the Chairman of this Circular*;

- (d) the consent letter from Cenkos Securities regarding the inclusion of its name as it appears in this Circular; and
- (e) the Previous Fundraising Circular.

A Shareholder may request a copy of any document in hard copy form (hard copies will not be provided unless requested). Hard copies may be requested by written request to the Registrars, Link Group, on 0371 664 0300 or if overseas on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday (excluding public holidays in England and Wales).

PART VII – NOTICE OF ANNUAL GENERAL MEETING

MERCANTILE PORTS & LOGISTICS LIMITED

(Incorporated in Guernsey with registered number 52321)

(the “Company”)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Company shall be held at the registered office of the Company at 1st Floor, Tudor House, Le Bordage, St Peter Port, Guernsey GY1 1DB on 28 July 2023 at 11.00 a.m. (London time) for the purpose of considering and, if thought fit, passing the Resolutions set out below.

Terms used but otherwise not defined in this Notice of Annual General Meeting or the explanatory notes hereto shall have the meanings given to them in the circular of the Company, dated 7 July 2023 (the “**Circular**”), which this Notice of Annual General Meeting forms a part.

Resolutions 1 to 13 (inclusive) relate to the ordinary business of the Company. Resolutions 1 to 12 (inclusive) shall be proposed as ordinary resolutions. Resolution 13 shall be proposed as a special resolution.

Resolutions 14 and 15, being the Subscription Resolutions, relate to the special business in relation to the Subscription. Resolution 14 shall be proposed as an ordinary resolution and Resolution 15 shall be proposed as a special resolution.

ORDINARY BUSINESS OF THE ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

1. **THAT** the audited consolidated financial statements for the year ended on 31 December 2022 for the Company and its subsidiaries together with the directors’ report and auditor’s report therein (“**2022 Annual Report**”), be and hereby are approved.
2. **THAT** the Directors’ remuneration for the year ended 31 December 2022 as set out in the Directors’ remuneration report in the 2022 Annual Report be and hereby is approved and the Board be and hereby is authorised to determine the Directors’ remuneration, which for each executive Director shall be informed by the recommendations of the remuneration committee of the Board, provided that no director shall vote in relation to his own remuneration.
3. **THAT**, upon the recommendation of the Directors, Grant Thornton UK LLP be re-appointed as auditors to the Company, and that the Board be authorised to determine the remuneration of the auditors.
4. **THAT**, Jeremy Warner Allen, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.
5. **THAT**, Jay Mehta, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.
6. **THAT**, John Fitzgerald, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.
7. **THAT**, Lord Howard Flight, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.
8. **THAT**, Karanpal Singh, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.

9. **THAT**, Nikhil Gandhi, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.
10. **THAT**, Amit Dutta, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.
11. **THAT**, Dmitri Tsvetkov, being eligible and offering himself for re-election, following his retirement by rotation pursuant to article 18 of the Articles, be and hereby is re-elected as a Director.
12. **THAT** in accordance with article 4.15 of the Articles, the Directors be authorised to exercise all powers of the Company to issue up to 106,893,808 Ordinary Shares (or grant rights to subscribe for or to convert any security into such shares), being approximately 30% of the number of the 356,312,692 Ordinary Shares (comprising the Enlarged Share Capital), such authority to replace and supersede an authority on the same terms granted to the Directors by resolution passed at the Company's annual general meeting held on 7 November 2022, such authority to expire on the date which is 15 months from the date of the passing of this Resolution or, if earlier, at the end of the next annual general meeting of the Company (unless previously renewed, revoked or varied by the Company by ordinary resolution) save that the Company may before such expiry make an offer or agreement which would or might require shares to be issued (or require rights to subscribe for or to convert any security into shares to be granted) after such expiry and the Directors may issue shares (or grant such rights) in pursuance of such an offer or agreement as if the authority conferred by the above Resolution had not expired.

SPECIAL RESOLUTION

13. **THAT**, subject to and conditional upon the passing of Resolution 12 above and in accordance with article 4.5 of the Articles, the Directors be authorised to issue, sell from treasury or grant rights to subscribe for or to convert any security into, shares for cash as if the pre-emption rights contained in article 4.3 of the Articles did not apply to such issue or grant provided that this authority shall be limited to the issue of up to 53,446,905 Ordinary Shares, being approximately 15% of the Enlarged Share Capital, such authority to expire on the date which is 15 months from the date of the passing of this Resolution or, if earlier, at the end of the next annual general meeting of the Company (unless previously renewed, revoked or varied by the Company by special resolution) save that the Company may before such expiry make an offer or agreement which would or might require shares to be issued (or require rights to subscribe for or to convert any security into shares to be granted) after such expiry and the Directors may issue shares (or grant such rights) in pursuance of such an offer or agreement as if the authority conferred by the above Resolution had not expired.

SPECIAL BUSINESS IN RELATION TO THE SUBSCRIPTION

ORDINARY RESOLUTION

14. **THAT**, in addition to the authority under Resolution 12, in accordance with article 4.15 of the Articles, the Directors be authorised to exercise all powers of the Company to issue up to 13,333,333 Ordinary Shares (or grant rights to subscribe for or to convert any security into such shares), pursuant to or in connection with the Subscription (as such term is defined in the Circular) and such authority shall expire on the date which is 15 months from the date of the passing of this Resolution or, if earlier, at the end of the next annual general meeting of the Company (unless previously renewed, revoked or varied by the Company by ordinary resolution) save that the Company may before such expiry make an offer or agreement which would or might require Subscription Shares to be issued (or require rights to subscribe for or to convert any security into shares to be granted) after such expiry and the Directors may issue shares (or grant such rights) in pursuance of such an offer or agreement as if the authority conferred by the above Resolution had not expired.

This authority is in addition to the authority conferred on the Directors set out in Resolution 12.

SPECIAL RESOLUTION

- 15. THAT**, subject to and conditional upon the passing of Resolution 14 above, separate from the authority under Resolution 13, and in accordance with article 4.5 of the Articles, the Directors be authorised to issue, sell from treasury or grant rights to subscribe for or to convert any security into, Subscription Shares for cash as if the pre-emption rights contained in article 4.3 of the Articles did not apply to such issue or grant provided that this authority shall be limited to the issue of up to 13,333,333 Subscription Shares provided that such authority shall expire on the date which is 15 months from the date of the passing of this Resolution or, if earlier, at the end of the next annual general meeting of the Company (unless previously renewed, revoked or varied by the Company by special resolution) save that the Company may before such expiry make an offer or agreement which would or might require Subscription Shares to be issued (or require rights to subscribe for or to convert any security into shares to be granted) after such expiry and the Directors may issue shares (or grant such rights) in pursuance of such an offer or agreement as if the authority conferred by the above Resolution had not expired.

This authority is in addition to the authority conferred on the Directors set out in Resolution 13.

BY ORDER OF THE BOARD

Jeremy Warner Allen

Chairman

7 July 2023

Registered Office:

1st Floor

Tudor House

Le Bordage

St Peter Port

Guernsey GY1 1DB

SHAREHOLDER NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING AND PROXY

Quorum

1. The quorum for the Annual General Meeting shall be two shareholders present in person or by proxy. If, within fifteen minutes from the appointed time for the Annual General Meeting, a quorum is not present, then the Annual General Meeting will stand adjourned to the same day in the next week (or if that day is a public holiday in the Island of Guernsey to the next working day thereafter) at the same time and place or to such other day, time or place as the Directors may determine and no notice of such adjournment need be given. At an adjourned Annual General Meeting, shareholders present in person or by proxy will form a quorum.

Website address

2. Information regarding the Annual General Meeting is available from <https://www.mercpl.com>.

Entitlement to attend, vote and speak

3. Only those holders of Ordinary Shares registered on the Company's register of members at close of business on 26 July 2023 shall be entitled to attend, vote and speak at the Annual General Meeting.
4. We will not be providing a paper Form of Proxy. Those members entitled to attend, speak and vote at the Annual General Meeting are now able to vote online by logging on to <https://www.signalshares.com> and following the instructions to be effective, the proxy vote must be submitted at <https://www.signalshares.com> so as to have been received by the Registrars before the time appointed for the Annual General Meeting or any adjournment of it. By registering on the Signalshares portal at <https://www.signalshares.com>, you can manage your shareholding, including:
 - cast your vote;
 - change your dividend payment instruction;
 - update your address; and
 - select your communication preference.

Appointment of Proxies

5. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Annual General Meeting. A Shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by that Shareholder. A proxy need not be a Shareholder.
- 5.1 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
- 5.2 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the Annual General Meeting.

Appointment of Proxy using Hard Copy Form

6. You may request a hard copy Form of Proxy directly from the Registrars, Link Group, on tel: 0371 664 0300 or from overseas call +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday (excluding public holidays in England and Wales).
7. The Form of Proxy and any power of attorney or other authority under which the Form of Proxy is signed (or a notarially certified copy or other copy certified in some other way approved by the Directors) under which it is executed must be received by Link Group,

PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom by 11.00 a.m. on 26 July 2023 in respect of the Annual General Meeting. Any Forms of Proxy received before such time will be deemed to have been received at such time. In the case of an adjournment, the Form of Proxy must be received by Link Group no later than 48 hours (excluding days which are not working days) before the rescheduled Annual General Meeting.

Appointment of Proxy via CREST

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting (and any adjournment of the Annual General Meeting) by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11.00 a.m. on 26 July 2023. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34(1) of the Uncertificated Securities (Guernsey) Regulations 2009.

Termination of proxy appointments

11. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom.

In the case of a shareholder which is an individual the revocation notice should be executed under the hand of the appointer or of their attorney duly appointed authorised in writing or in the case of a shareholder which is a company, the revocation should be executed under its common seal or under the hand of an officer or attorney duly authorised in that regard. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy or other copy certified in some other way approved by the Directors) must be included with the revocation notice.

If you attempt to revoke your proxy appointment but the revocation is received after the time of the Annual General Meeting or the taking of the vote at which the proxy is used, then, subject to the paragraph directly below, your proxy will remain valid.

If you submit more than one valid proxy appointment in respect of the same Ordinary Shares, the appointment received last before the latest time for receipt of proxies will take precedence.

If you have appointed a proxy and attend the Annual General Meeting in person, your proxy appointment will be automatically terminated.

Effective constitution

12. To allow effective constitutional of the Annual General Meeting, if it is apparent to the Chairman that no shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, the Chairman may appoint a substitute to act as proxy in their stead for any other Shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.

Issued Ordinary Shares and total voting rights

13. The total number of Ordinary Shares in issue in the Company at the date of this notice is 342,979,359 Ordinary Shares.

On a vote by a show of hands, every holder of Ordinary Shares who is present in person or by proxy shall have one vote. On a poll every holder of Ordinary Shares who is present in person or by proxy shall have one vote for each Ordinary Share held by them.

Communication

14. Except as provided above, members who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
- calling the Registrars' shareholder helpline (lines are open from 8.30 a.m. to 5.30 p.m. Monday to Friday, excluding public holidays):
 - (i) *from the UK: 0371 664 0300 (calls are charged at the standard geographic rate and will vary by provider); and*
 - (ii) *from outside the UK: +44 (0) 371 664 0300 (outside the United Kingdom will be charged at the applicable international rate); or*
 - in writing to Link Group at PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom.

You may not use any electronic address provided either:

- in this Notice of Annual General Meeting; or
 - any related documents (including the Form of Proxy for the Annual General Meeting),
- to communicate with the Company for any purposes other than those expressly stated.

